

**BAYSHORE PREPARATORY**  
**CONFLICT OF INTEREST POLICY**

COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS

2008 SEP 12 PM 2 19

THOMAS J. PASTUSZKA  
CLERK OF THE BOARD  
OF SUPERVISORS

**I. ADOPTION**

In compliance with the Political Reform Act of 1974, California Government Code Section 87100, et seq., Bayshore Preparatory hereby adopts this Conflict of Interest Policy, which shall apply to all governing board members, candidates for member of the governing board, and all other designated employees of Bayshore Preparatory ("Charter School"), as specifically required by California Government Code Section 87300. As the Charter School has agreed to comply with Government Code Section 1090, in addition to the Political Reform Act, this Code also encompasses the requires of section 1090.

**II. DEFINITION OF TERMS**

As applicable to a California public charter school, the definitions contained in the Political Reform Act of 1974, the regulations of the Fair Political Practices Commission, specifically California Code of Regulations Section 18730, and any amendments or modifications to the Act and regulations are incorporated by reference to this Code.

**III. DESIGNATED EMPLOYEES**

Employees of this Charter School, including governing board members and candidates for election and/or appointment to the governing board, who hold positions that involve the making or participation in the making, of decisions that may foreseeably have a material effect on any financial interest, shall be "designated employees." The designated positions are listed in "Exhibit A" attached to this policy and incorporated by reference herein.

**IV. STATEMENT OF ECONOMIC INTERESTS: FILING**

Each designated employee, including governing board members and candidates for election and/or appointment to the governing board, shall file a Statement of Economic Interest ("Statement") at the time and manner prescribed below, disclosing reportable investments, interests in real property, business positions, and income required to be reported under the category or categories to which the employee's position is assigned in "Exhibit A."

An investment, interest in real property or income shall be reportable, if the business entity in which the investment is held, the interest in real property, the business position, or source of income may foreseeably be affected materially by a decision made or participated in by the designated employee by virtue of his or her position. The specific disclosure responsibilities assigned to each position are set forth in "Exhibit B."

Statements Filed With the Charter School. All Statements shall be supplied by the Charter

School. All Statements shall be filed with the Charter School. The Charter School's filing officer shall make and retain a copy of the Statements and forward the **original** to the County Board of Supervisors.

## **V. DISQUALIFICATION**

No designated employee shall make, participate in making, or try to use his/her official position to influence any Charter School decision which he/she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family.

## **VI. MANNER OF DISQUALIFICATION**

### **A. Non-Governing Board Member Designated Employees**

When a non-Governing Board member designated employee determines that he/she should not make a decision because of a disqualifying interest, he/she should submit a written disclosure of the disqualifying interest to his/her immediate supervisor. The supervisor shall immediately reassign the matter to another employee and shall forward the disclosure notice to the Charter School Principal, who shall record the employee's disqualification. In the case of a designated employee who is head of an agency, this determination and disclosure shall be made in writing to his/her appointing authority.

### **B. Governing Board Member Designated Employees**

Where a Governing Board member has a personal, material financial interest in a contract, the Board must either: (1) not enter into the contract, as Government Code section 1090 prevents the entire board from voting on the contract; or (2) prior to the Board of Director's discussion of and/or taking any action on the contract at issue, the Board member must resign from the Board of Directors. The resignation shall be made part of the Board's official record. Abstention and disclosure will not rescue a vote.

## **EXHIBIT A**

### **Designated Positions**

- I. Persons occupying the following positions are designated employees and must disclose financial interests in all categories defined in “Exhibit B” (i.e., categories 1, 2, and 3).
  - A. Members of the Governing Board and their alternates (if applicable)
  - B. Candidates for Member of the Governing Board
  - C. Corporate Officers (e.g., CEO/President, CFO/Treasurer, Secretary, etc.)
  - D. Executive Director of Charter School
  - E. Director of Operations
  - I. Consultants<sup>1</sup>
- II. Persons occupying the following positions are designated employees and must disclose financial interests defined in Category 1 of “Exhibit B.”

None.
- III. Persons occupying the following positions are designated employees and must disclose financial interests defined in Categories 2 and 3 of “Exhibit B.”

None.

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<sup>1</sup> The Charter School Executive Director may determine, in writing, that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Charter School Executive Director’s determination is a public record and shall be retained for public inspection in the same manner and location of interest code.

## **EXHIBIT B**

### **Disclosure Categories**

#### **Category 1 Reporting:**

- A. Interest in real property which is located in whole or in part either (1) within the boundaries of the District, or (2) within two miles of the boundaries of the District, including any leasehold, beneficial or ownership interests or option to acquire such interest in real property.

(Interests in real property of an individual include a business entity's share of interest in real property of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly, or beneficially, a 10% interest or greater.)

- B. Investments in or income from persons or business entities which are contractors or sub-contractors which are or have been within the previous two-year period engaged in the performance of building construction or design within the District.

- C. Investments in or income from persons or business entities engaged in the acquisition or disposal of real property within the jurisdiction.

(Investment includes any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership interest or other ownership interests.)

(Investments of any individual include a pro rata share of investments of any business entity or trust in which the designated employee or his or her spouse owns, directly, indirectly or beneficially, a ten percent interest or greater.)

(Investment does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, or any bond or other debt instrument issued by any government or government agency.)

#### **Category 2 Reporting:**

- A. Investments in or income from business entities which manufacture or sell supplies, books, machinery or equipment of the type utilized by the department for which the designated employee is Manager or Charter School Principal. Investments include interests described in Category 1.

#### **Category 3 Reporting:**

- A. Investments in or income from business entities which are contractors or sub-contractors engaged in the performance of work or services of the type utilized by the department for which the designated employee is Manager or Charter School Principal. Investments include the interests described in Category 1.

**RESOLUTION OF THE  
BOARD OF DIRECTORS  
OF  
BAYSHORE PREPARATORY, INC.**

(a California Non-Profit Public Benefit Corporation)

A RESOLUTION of the Board of Directors of Bayshore Preparatory, a non-profit public benefit corporation, adopting a Conflict of Interest Policy that complies with the provisions of the Political Reform Act and Government Code 1090.

WHEREAS, Bayshore Preparatory ("Charter School") is a California public charter school operated as a nonprofit public benefit corporation under the direction and management of the Corporation's board of directors;

WHEREAS, at the August 19, 2008 meeting of the Board of Directors ("Board") of the Charter School, the Board unanimously voted to adopt the attached Conflict of Interest Policy;

WHEREAS, a copy of the minutes of the August 19, 2008 meeting wherein this action was taken are attached;

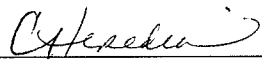
NOW THEREFORE, IT IS RESOLVED by the Board of Directors that the Charter School shall adopt the Conflict of Interest Policy and forward a copy, as required, to the San Diego County Board of Supervisors for approval.

ADOPTED - RATIFYING the action taken by the Board of Bayshore Preparatory at a regular meeting thereof on the 19th day of August, 2008.

\* \* \*

I, Catherine Heredia am the Secretary of the Bayshore Preparatory non-profit public benefit corporation. I hereby certify that the foregoing is a true copy of a resolution ratifying the action duly and legally taken by the Board of Directors on August 19, 2008 and that this resolution has not been revoked.

Date: 8/19/08

  
\_\_\_\_\_  
Catherine Heredia



**DRAFT**

100 North Santa Fe Road, Suite 100  
San Marcos, CA 92069

*Members of the Governing Board: Mary Quella, Wendy Hanson, Mark Miller*

## **MINUTES – MEETING OF THE GOVERNING BOARD**

August 19, 2008 – 6:00 PM

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### **I. Call to Order (6:03 PM)**

### **II. Roll Call / Attendance (6:03 PM)**

The following Board Members were present: Wendy Hanson, Mary Quella, Mark Miller

### **III. Approval of Agenda**

*Motion:* Mr. Miller moved to approve the agenda as presented.

*Second:* Ms. Hanson

*Vote:* All present voted in favor. Ayes: 3 (Can you ask Jayna if we need to add this in?)

### **IV. Discussion Items (6:08 PM)**

#### **A. Financial Update**

Ms. Sherman presented the 2007/8 year-end unaudited financials and the July financials.

The biggest area of concern in the 2008/9 budget is the school's enrollment. Ms. Quella asked the school leadership what they are doing to increase enrollment. Ms. Heredia and Ms. Gaskell answered that they are advertising in the local newspapers, holding an open house on September 2<sup>nd</sup>, and conducting daily tours of the school and meetings with interested families.

Ms. Gaskell noted the financial implications of enrollment – it could be up to \$350,000 in funding cuts. Ms. Gaskell and EdTec suggested a budget revision be done at the September or October board meeting. In the meantime, EdTec and school leadership will develop scenarios with a range of enrollment numbers and budget cuts for each of the scenarios.

Ms. Quella requested that Ms. Heredia follow up with the credit union.

### ***B. Board Governance Training***

Mr. Jim Young is scheduled to conduct board governance training on Saturday, September 20<sup>th</sup>.

Strategic planning committee to meet on October 4<sup>th</sup> or October 11<sup>th</sup>. Final date to be chosen in the next month.

## **V. Action Items (6:50 PM)**

### ***A. Board Calendar***

EdTec asked the school if they would be willing to change the date of the monthly board meeting to the third week of the month. It is often difficult to get the financial statements necessary to complete the monthly financials by the second week of the month.

*Motion:* 3<sup>rd</sup> Tuesday of each month.

*Second:* Mr. Miller

*Vote:* All present voted in favor.

Ms. Gaskell or Ms. Heredia will contact the district via formal letter with the revised 2008-09 calendar attached. The letter will be forwarded to Bayshore's governing board and will be signed by Ms. Garrison-Arce.

### ***B. Salary Schedule Revision***

Ms. Gaskell presented the revised salary schedule to the board. The salary schedule was approved at the May board meeting. Mr. Miller voiced concerns about its financial impact. Ms. Gaskell asked the board to decide whether existing teachers should get placed into the revised salary schedule, remain at their current salaries or increase their salaries.

*Staff Recommendation:* Keep teachers at last year's salary if they fall above revised salary schedule.

Mr. Miller asked if this would cause teachers to leave.

*Motion:* Approve offers to seven teachers returning to the school at the same salary.

*Second:* Ms. Hanson

*Vote:* All present voted in favor.

The board would like to table the approval of the salary schedule to the September board meeting. In the meantime, Ms. Gaskell will prepare the following materials: a revised salary

schedule which includes a comparison to the existing salary schedule which was approved at the May board meeting.

***C. Conflict of Interest Policy***

Conflict of Interest Code was changed to Conflict of Interest Policy in order to be in compliance with government code, Section 1090. Ms. Gaskell will make the change and send to district with approval date.

There will be a separate resolution adopting this policy.

*Motion:* Ms. Hanson moved to adopt the Conflict of Interest Policy

*Second:* Mr. Miller

*Vote:* All present voted in favor.

**VI. Future Agenda Items**

***A. Requested Items to be Included on next agenda:*** Pay schedule; closed session; Executive Director presentation (first 30 days and plans for next 30 days to be reported to the board); financial update including 2008/09 budget; discussion for increasing enrollment; past check registers that need approval; past minutes that need approval.

**VII. Adjourn to Closed Session – Litigation (7:50 PM)**

**VIII. Reconvene to Open Session (8:35 PM)**

***A. Roll Call*** – All board members present (Can you ask Jayna if we need to relist their names?)

**IX. Report Out of Closed Session**

***A. President's Report of Action Taken*** – None

**X. Adjournment (8:36 PM)**





**DRAFT**

100 North Santa Fe Road, Suite 100  
San Marcos, CA 92069

*Members of the Governing Board: Mary Quella, Wendy Hanson, Mark Miller*

**MINUTES – SPECIAL MEETING OF THE GOVERNING BOARD**

August 19, 2008 – 7:00 PM

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**I. Call to Order (8:37 PM)**

**II. Roll Call / Attendance (8:38 PM)**

The following Board Members were present: Wendy Hanson, Mary Quella, Mark Miller

**III. Approval of Agenda (8:39 PM)**

*Motion:* Ms. Hanson moved to approve the agenda as presented.

*Second:* Mr. Miller

*Vote:* All present voted in favor.

**IV. Action Items (8:40 PM)**

***A. Appointment of New Board Member***

Ms. Gaskell noted that there are no procedures in the bylaws or charter regarding the election of a parent representative to the board. Ms. Gaskell committed to developing these policies with the board. Ms. Gaskell asked Bayshore's attorneys to analyze the bylaws and charter in order to advise the board on a procedure. Currently, according to the bylaws the position is board appointed. After discussion about whether the district's seat on the board counted toward the number of seats outlined in the bylaws it was determined that the district seat does not count and the board is complete after the parent representative position is filled. The board will have three to five members. The board asked Ms. Gaskell to resolve this issue with the attorneys and make steps with the district to increase board membership to seven to nine members as reflected in the charter renewal.

Ms. Heredia presented Mr. Ogwaro's candidacy for the parent representative seat.

*Motion:* Ms. Quella moved to appoint Mr. Ogwaro to the parent representative seat on the board.

*Second:* Ms. Hanson

*Vote:* All present voted in favor.

### ***B. Nomination Committee***

Pending word from the district on whether or not their seat counts toward the total number of board seats available, the current board would like to appoint an additional member. The board discussed allowing staff membership on the committee to find candidates. Ms. Heredia, Ms. Garrison-Arce and Ms. Hanson agreed to serve on the nomination committee.

## **V. Adjournment (8:53 PM)**



September 10, 2008

Clerk of the Board of Supervisors  
Attn: Conflict of Interest Code  
Mail stop A-45  
1600 Pacifica Highway, Room 402  
San Diego, Ca 92101-2471

Bayshore Prep's Governing Board approved the following Conflict of Interest Policy. I have included the Resolution and the minutes for this. These minutes will be approved at the next scheduled board meeting on Sept. 16, 2008.

Please let me know if you have any questions.

Thank you,

A handwritten signature in cursive script, appearing to read "C Heredia".

Catherine Heredia  
Bayshore Prep  
100 N. Rancho Santa Fe Rd., Suite 110  
San Marcos, CA 92069